

# North Carolina Department of Environmental Quality

Pat McCrory  
Governor

Donald R. van der Vaart  
Secretary

CERTIFIED MAIL 7015 1520 0002 8376 1503

**CERTIFIED MAIL**  
**Return Receipt Requested**

October 26, 2015

D. Harding Stowe  
RLS Liquidating LLC  
P.O. Box 351  
Belmont, NC 28012

Re: **NOTICE OF REC PROGRAM ELIGIBILITY**  
**R.L. Stowe Mills, Inc. (Former Chronicle Mills)**  
96 East Catawba Street  
Belmont, Gaston County, North Carolina  
IHSB No. NONCD0002902

Dear Mr. D. Harding Stowe:

Thank you for submitting the Site Cleanup Checklist/Questionnaire (Questionnaire) and follow-up documentation dated June 19, 2012 and June 26, 2012 on the above subject site (Site). The Inactive Hazardous Sites Branch (Branch) has completed review of the Questionnaire and submitted documents and determined that the Site can be cleaned up through the Registered Environmental Consultant (REC) Program without direct oversight by Branch Staff. Only the sites with the highest risks receive direct oversight by state staff.

Review of historical Site files indicate additional assessment and delineation of non-petroleum groundwater contamination, including but not limited to, detected tetrachloroethene (PCE) and potential Polychlorinated Biphenyl (PCB) impacts in groundwater and / or soils is required at this Site.

This letter will provide you with information about the Registered Environmental Consultant (REC) Program our privatized oversight program which will help expedite approval of voluntary party contaminant cleanup actions. Based on the known information about this and available information from known surrounding sites, this site does not appear to be the highest risk and would not qualify for direct staff oversight.

At higher risk sites, the Division of Waste Management (Division) will directly oversee and approve testing and cleanup work conducted by responsible parties and owners. At sites the Division determines are not the highest risk, we have a privatized oversight program to help expedite approval of voluntary party contaminant cleanup actions. This program is called the Registered Environmental Consultant (REC) Program. The REC Program was established to remove a bottleneck for approval caused by limited state staff available for oversight of cleanup actions. The Division must apply its staff

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resources toward working on the highest risk sites first. The technical requirements are the same regardless of whether an REC or state staff oversee and approve the work.

For voluntary cleanup actions under the REC Program, the remediating party hires an REC, a firm that has been approved by the state to implement a cleanup and certify that the work is being performed in compliance with state regulations. In other words, the REC is authorized to provide oversight of the cleanup in place of the Division. Details regarding the REC Program can be found at <http://portal.ncdenr.org/web/wm/sf/ihs/recprogram>.

The advantages of participating in a voluntary assessment and/or cleanup under an agreement with the Division (with state staff or REC oversight) include: 1) removal of this site from the NC Sites Priority List of inactive hazardous sites and 2) eligibility for a cap on cleanup costs a party is obligated to pay if that party enters into an agreement with the Division. The REC Program also has the advantage of an expedited cleanup process as the REC has the authority to certify completion of work phases without having to wait for state concurrence. Because the costs to clean up contaminated materials continue to increase and because uncontrolled contamination may move and expand over time, immediate action taken at your property now could help to reduce cleanup costs and may prevent future damage to adjacent properties. Of even more concern, uncontrolled migration of groundwater contamination can lead to potential exposure by contaminating drinking water wells in the area, discharging to the surface on other properties and vapors from the contaminated groundwater entering homes and other structures. For those sites where the degree and extent of contamination at the site is relatively minor, it is possible that only a limited amount of assessment and/or cleanup would be required in order to receive a "NFA" declaration from the state. Such a declaration could have a significant positive effect on the value of your property.

To conduct an approved cleanup, you must enter into an REC-Administrative Agreement (REC-AA) with the Branch. The procedures for entering into an REC-AA are attached. If you have any questions regarding these procedures or the REC Program, please contact the REC Program Manager, Kim Caulk, at (919) 707-8350 or visit the REC Program website at <http://portal.ncdenr.org/web/wm/sf/ihs/recprogram>.

We also understand that the site may have been contaminated from a petroleum release. Please note that any investigation or remediation related to petroleum compounds should be conducted in accordance with the Division of Waste Management UST Section's regulations and guidance documents. Future investigation or remediation reports related to petroleum substances will be the responsibility of the Division of Waste Management's UST Section and should be forwarded to the attention of Ron Taraban of the UST Section in the Mooresville Regional Office.

If you have additional questions about the requirements that apply to this site, please contact the REC Program Manager, Mr. Kim Caulk at [kim.caulk@ncdenr.gov](mailto:kim.caulk@ncdenr.gov) - (704) 707-8350, or me at [Miguel.alvalle@ncdenr.gov](mailto:Miguel.alvalle@ncdenr.gov) - (704) 663-1699.

Sincerely,

Miguel A. Alvalle, Hydrogeologist  
Division of Waste Management  
North Carolina Department of Environmental Quality  
Enclosure: REC-AA Procedures

Cc:  
Mr. Thomas W. Garrison III – Excel Civil & Environmental, PLLC, 625 Huntsman Court, Gastonia NC 28054  
CT Corporation System - Register Agent, 150 Fayetteville Street, Box 1011, Raleigh, NC 27601

Ec: Ron Taraban – DEQ, DWM - MRO

## Procedures for Obtaining a REC Administrative Agreement

To obtain a Registered Environmental Consultant (REC)-Administrative Agreement (AA) from the Inactive Hazardous Sites Branch, remediating parties (RPs) and RECs should use the following procedures:

1. Contact Kim Caulk, preferably by e-mail at [Kim.Caulk@NCDENR.gov](mailto:Kim.Caulk@NCDENR.gov), and provide the following information for the site:
  - Site name, street address/location, city, and county;
  - Exact name of remediator;
  - Name, title, telephone number, e-mail address, & mailing address of the highest ranking official of the remediating party having day-to-day responsibility for the performance of the remedial response action;
  - Name, title, telephone number, e-mail address, & mailing address of any other contact person(s);
  - Name, title, telephone number, e-mail address, & mailing address of the proposed REC (if known);
  - Current property owner of the site.
2. Using the information above, a draft REC-AA will be prepared by the Branch and forwarded, preferably by e-mail, to the RP and any other specified representatives for review. The draft electronic version of the AA will be maintained by the Branch.
3. After the RP and/or REC confirms the information is satisfactory, the AA will be finalized by the Branch and an original, hardcopy of the final document will be mailed to the RP for signature. The RP should then mail the signed **original**, final AA to the REC for signature. After the signatures are completed, the original document should be returned by mail to the Branch for execution. The Branch will forward a photocopy of the AA to the RP and REC following execution.
4. Before the AA can be executed, the following requirements must be completed:
  - A 30-day public notice for the proposed AA must be conducted by the Branch in accordance with 130A-310.9(b). To complete the required 30-day public notice, the proposed REC and/or the Remediating Party need to submit, preferably by e-mail, a site location map (typically a tax map or parcel map) and the mailing addresses for each of the adjacent surrounding property owners. The reference/source of the submitted information should be included;
  - Pursuant to 15A NCAC 13C .0307(c), to participate in the REC Program, payment of a financial assurance fee must be received by the Branch. The entry fee the site into the REC Program is \$2500. Checks should be made payable to NC Division of Waste Management and referenced to the REC Trust Fund. There will be a similar fee each year until remediation at the site is complete. The annual administration fee, which is to help offset the Division's costs for audits of remedial actions and program oversight, is based on the number of sites in the REC Program each year. In recent years the fee has varied from approx. \$1500 to \$2000.

The required public notice can begin while the AA is reviewed/finalized and the fees are processed.

Questions regarding these procedures and the REC Program should be directed to Kim Caulk at (919) 707-8350 or [Kim.Caulk@NCDENR.gov](mailto:Kim.Caulk@NCDENR.gov).